

## MILLIONS IN SPURIOUS MONEY

CAPTURED GANG ABOUT READY TO LAUNCH \$1,000,000 A MONTH.

Head of it is the Genius Who Beat the Bank of England's Watermark and whose Plates to Print Our Bills Are Very Fine—Fibre Paper Imitated.

Bushels of bad money would have been emptied on this town very shortly had the United States Secret Service men not caught on Friday the counterfeiters John Davis and his pals. Capt. W. D. Flynn, who got back yesterday from Revere, Mass., the Boston suburb where he had seized plates and dies and caught the principals at work, told an interesting story of the tracking of the gang, which involved almost six months of the closest kind of work for the Secret Service men.

While the counterfeiters did not succeed in getting into circulation a very large number of the \$5, \$10 and \$20 bills they were making, yet they had, according to Capt. Flynn, made preparations for turning out \$1,000,000 a month and would, Capt. Flynn says, have made a "quick finish" and got out, unless the Government had tipped the scheme in the bud.

Their plan of operation was, it is said, the best and the safest that could be devised and reveals in all its details the clever planning of the head man, Davis.

The "owner" was to be turned out in a trim three-story dwelling house in a fashionable residence quarter of Revere and shipped to New York, where the money was to be backing the scheme financially and the confederates would arrange for its proper distribution. Davis and his two co-workers in Revere, Moses Lovak and H. Frankel, were just about ready to strike off his first batch for consignment to this city. They had their negatives and dies and presses all ready. The spurious bills which the Government officers picked up in New England, amounting to about \$600,000, were, it is said, merely "feetlers," and those which would have come to New York, if the work of the gang had not been interrupted, would, it is asserted, have exceeded in their likeness to bona fide notes the specimens thrown into circulation on trial.

The story of the roundup illustrates the remarkably perfect way in which the criminals and in applying practically the Government agents' adage "Once a counterfeiter, always a counterfeiter." Davis, whose real name is Henry Leberman, was caught making bogus money in this country several years ago. He got away to Europe, was shadowed almost constantly and was tracked and tailed from the moment he again set foot on this side of the Atlantic until he was arrested on Friday.

"This case is important," said Capt. Flynn, "because we got Leberman. That fact overhauls all others. He is one of the cleverest counterfeiters in the world, and you will not doubt my statement when I say that the Bank of England practically admitted itself at its mercy and paid him to leave the country. We knew of him first in 1895, when he was arrested in London with four others, in this city for counterfeiting \$10 silver certificates. He was indicted, but got away to London. Before long London was being duped into buying counterfeit Russian documentary stamps of the value of \$1, \$2 and \$3, and every forged American Express Company money order began to turn up. We thought we recognized Leberman's hand. Soon afterward a man named Henry Leberman was traced to a small house in the country where \$200 or \$300 worth of forged Bank of England notes.

"Upon investigation it was found that Leberman was operating in that London. The London police were notified. They arrested him, together with ten or twelve others. They claimed that the arrested Leberman turned Queen's evidence and got off, telling where the dies and other apparatus were. Two other men were arrested and one committed suicide on the day in which he was to be committed to jail. The Bank of England gave Leberman a bonus of £10,000 on the promise that he would cease operating against it. The water mark on the notes which he made, which are the marks of identification on which the Bank of England depends, were superior to those on the genuine notes.

"Leberman left England for Belgium, where he was known as Henry Sargis. We knew that he was in Belgium and kept him shadowed. He took passage for this country last August, and his fact was no longer a secret. The vessel that was on the look out for him. We heard that he had been apprehended by several persons in this country, who solicited his services in counterfeiting and offered to back him financially.

"Leberman brought his two pals, Lovak and Frankel, with him from Belgium. He had never heard of them before, but we knew them now to be expert plotographers. We tracked Leberman when he landed, watched him and his confederates flip a coin in Newark, N. J., and waited as patiently as we could for the proper time when we should strike to get them with the police. Leberman, however, suspected that he was being watched and disappeared after about two weeks' stay in Newark. The presses and other apparatus went after him, and we located the gang in the house in Prospect avenue, Revere.

"This is a clean, airy looking house, three stories high, with a large barn. We shadowed the house and trailed the men, who made frequent trips to New York and conspired with their confederates here. In this way we got to know all the men who were in the back ground. Sargis, Lovak, Frankel and the others were all right, that was of course, as soon as we knew that the bogus money was being turned out. The gang got into the house on Friday morning by sending up a false telegram. When the door was opened, the man in the dispatch stuck his foot between it and the sill, and the other two ran in. Leberman and one of the other men were in the second floor, where the plant was, with their presses and dies. They offered no resistance and Lovak, who was in the ground floor, also was taken without trouble. Lovak's wife lived in the house. The ground floor was divided into a parlor, dining room and kitchen. The windows were latched with curtains.

"The plant was most complete. It contained an elaborate outfit, including cameras with the most improved lenses, a lithographing press, stones, dies, and other apparatus. Land engraving and more than 600 chemicals. Besides this there was a stock of the best quality of onion skin paper, bought from a New York firm, and sufficient to make \$1,000,000 of notes. The negatives were in the dies when we entered, and the men were about ready to begin operating. The plant probably cost between \$200 and \$1,000. The plates were for striking off \$10 silver certificates bearing the buffalo head, \$5 silver certificates bearing the eagle, and \$2 gold certificates bearing the eagle head. The plate for the gold certificate was not entirely completed, and it is doubtful whether any of that denomination had been struck off.

"While the raid was going on in Revere, the New York force was awaiting orders. They got them as soon as we had the men in Massachusetts landed, and they started on the jump and got the seven prisoners who could have done it. Capt. Flynn said that the counterfeit bills were as good as he had ever seen. Two pieces of the "union paper" were pressed together with silk floss between to imitate the Government's fibre paper. The coloring of the bills is accurate, and the engraving is such, according to Capt. Flynn, as to give men could have done it. Capt. Flynn says that he will be able to convict the gang without any of them turning State's evidence. Some of the bogus bills were found in certain of the prisoners, and incriminating letters and bills for ink and paper also, it is said, were taken in the thorough search which the Secret Service men made of the business place and living apartments of the prisoners.

The seven men arrested in this city were arraigned yesterday before United States



## COLONIAL POLICY, TWO TYPES.

SCHURMAN SETS THEM IN CUBA AND PHILIPPINES.

He thinks that should be used in governing natives on whom Gen. Wood used Force—Expects Idealists to Win in Appeals for Filipino Independence.

In an address before the League for Political Education, at the league's clubhouse in West Forty-fourth street, yesterday, President Schurman of Cornell University declared that in his opinion the United States must inevitably continue on a policy of expansion and stand or fall thereon. Expansion of the right sort, he thought, a good and a desirable thing. It was in favor of it to the extent, he said, that it was necessary, some of the South and Central American countries under our wing.

The supreme question in his mind was, he said, not as to whether we are to have expansion, but as to what sort of expansion it is to be. If it is to be an expansion like that of the Philippines—an expansion which, Dr. Schurman said, had not accomplished what was predicted of it, and which recognized the people as mere subjects, not as participants in Statehood—then this republic, he predicted, will go the way of ancient Rome.

But if, on the other hand, it is to be an expansion like that which took place in Cuba—an expansion which, according to President Schurman, is the noblest recorded in history—the United States will, he asserted, continue in vigorous life and gather strength as they grow.

Dr. Schurman was inclined to believe that the expansion of the future would be of the sort he pictured in Cuba. He said that the results achieved in the Philippines in a commercial and religious way had not nearly come up to the expectations held when the islands first came under our control, and he gave it as his belief that, with the establishment of a legislative body in the Philippines, Congress would, from that moment, be flooded with petitions for the Philippines' independence.

Dr. Schurman said of the natives in the southern part of the archipelago, where Gen. Wood has recently been operating, that in his opinion they could be subdued by force only with the shedding of great quantities of blood. The proper way to handle them, he said, was through tact.

The subject of President Schurman's address was "The Philippines and the Problem of Expansion." He began by describing some of the conditions which existed in the archipelago five years ago, when he was appointed to the Philippines Commission by President McKinley.

"As we look back in the light of experience," said Dr. Schurman, "we have to confess that there have been a large number of disillusiones. The islands have not yielded up riches nor furnished the resources for the profitable investment of capital in anything like the degree that was expected. There is no gold in the Philippines. These who have gone there with a view to investing have soon concluded that it is a colossal mistake to go to the Philippines to make money. The religious bodies also are a chastened influence in the experience of the missionaries. They have discovered what the Roman Catholic Church might have told them at the time of our occupancy of the islands, that the people are largely good Christians, better even than the people in the United States, if you measure Christianity by mere attendance at churches.

"I believe we had any alternative but to go into the islands. I do not. I sympathize with those who desire to trade freely and to set up in self-government, and I believe the time is rapidly approaching when we may do for them what we did for Cuba. I do not believe that the belief of the people that God has been accomplished in the islands. Unity has been developed, racial differences and dissensions have, to a large measure, been effaced. In 1898 the Filipinos were not a nation, were not sufficiently united to be entrusted with self-government.

Dr. Schurman expressed the opinion that the granting of a national legislature to the islands had been postponed until after the Presidential election for political reasons. He said that this Government had shown a willingness to trade with the Philippines, especially in tariff matters. He thought every barrier in trade between this country and the islands ought to be removed, and that the people of the archipelago, Dr. Schurman declared, would never become Anglo-Saxonized, and he doubted whether the English language would be spoken there extensively.

"As the years go by," said Dr. Schurman, "I think people will begin to wonder whether the sacrifice of life and talent in the island would be well to do with the Philippines as we did with Cuba. I believe that the day is not far distant when the political idealists who gave birth to this republic will revive, and when they revive it will, I think, be realized that the best thing to do with the Philippines is to help them to govern themselves.

Broadway, 33d to 34th Street.

Saks &amp; Company

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## A Gift, the Giver and Its Recipient.

"It is better to give than to receive" has a wealth of meaning which he who runs may never read. Often the recipient knows full well that the gift with which he has been burdened has nothing in common with his or her higher and better taste—because more times than enough the one who has given gave without a thought of the personality of him or her who received it. The spirit may be sincere enough and generous enough, true, but sentiment measured by the value of the gift rather than by the taste evinced in its selection, defeats its very purpose. Everything which has found a place in our shop expresses true beauty—beauty to which culture and refinement give their sacred sanction. Our prices will never make you conscious of it.

## A Few Pertinent Suggestions.

Scarfs, Bath Robes, Smoking Jackets, House Coats, Suspenders, Tie Pins, Match Safes, Silver Pencils, Sleeve Links, Tie Catches, Cigar Holders, Cigarette Holders, Cigar Cases, Rings, Watch Chains, Shirt Studs, Smokers' Requisites, Pipes, Pocket Knives, Razors, Canes, Collar Boxes, Fans, Perfumes, Furs, Neckwear, Brooches, Pendants, Neck Chains, Hand Bags, Purse, Toilette Sets, Shell Combs, Lorgnettes, Fancy Boxes, Scrap Baskets, Stick Pins, Parasols, Hosiery, Work Baskets, Manicure Sets, Lockets, Chatelaines, Handkerchiefs, Gloves, Tourists' Requisites, Umbrellas, Slippers, Cameras, Opera Glasses, Stationery, Leather Requisites, Pictures, Dolls, Card Tables, Round Tables, Luggage, Mechanical Toys, Magic Lanterns, Poker Sets, Pyrographic Outfits, Ice Skates, Punching Bags, Boxing Gloves, Fitted Suit Cases, Games, Desk Requisites.

Entrusted to us for delivery, a Christmas gift never becomes a Christmas promise, though you do not select it until the eleventh hour. Even unto the packing is good taste exercised.

## An Important Sale of Suits and Coats for Women.

Tailor Made Suits, two models, of Cheviot in black, blue or brown, long coat with strap seams, or Long Plaited Blouse Coat, collarless, trimmed with taffeta and Braid. Special at \$20.00

Tailor Made Suits, two models, of Cheviot in black, blue or brown, Long Fitted Coat, trimmed with velvet and silk braid, or Plaited Blouse with capes over shoulder. Value \$35.00. Special at \$27.50

Coats of black Cheviot, 28 inches, fly front, lap seams. Value \$15.00. Special at \$10.50

## An Important Sale of Furs and Fur Garments.

Persian Lamb Coats. Value \$75.00. Special at \$49.00. Value \$145.00. Special at \$105.00

Electric Seal Coats, \$35.00, \$45.00 & \$55.00. Scarfs of Grey Squirrel, four-in-hand, \$10.25. Muffs to match, At \$12.50

Scarfs of Sable Raccoon, 60 inches, with tails. Value \$16.50. Special at \$12.00

Muffs of Sable Raccoon, flat model. Value \$13.00. Special at \$9.00

## INTEREST IN PORTRAIT SHOW.

Many and Varied Ideas Draw Large Numbers of Visitors—Nordica Wednesday.

Many and diverse are the interests which lead people to the Portrait Show in the American Art Galleries, and as diverse in their points of view are the visitors. Artists have gone to the galleries repeatedly since last week. They have discovered what the opening day of the exhibition, some and how they look at their own portraits and see how they compare with the portraits and see how they study their fellow artists' work or that of the old masters; one at least to coral every wealthy or well-known patron of the show whom he could reach and lead them then gently to a vantage ground whence to see his contribution to the exhibition.

Other visitors have wandered from room to room, comparing the likenesses of society women and prominent men of to-day with the beauties and the statesmen or other dignitaries of the past. Among the curious ones, not of the elect, who frankly examine the portraits of persons often written out in the public prints, some odd comments are freely made and sounding strangely queer in the pervading atmosphere of art, have broken upon the ears of the art enthusiasts lingering before some endearing canvas.

"She doesn't look so expensive," is the next lady," was the comment which a-tonished group of artists one afternoon, who turned to behold a spectator pointing to one portrait and addressing two commentaries.

"Beckwith," said he, "moment later, examined the signature on another canvas, 'seems to me I've heard that name before'.

The artists moved on and away. It was long before the remarks of another group of visitors attracted their attention. A benevolent and refined looking woman, with a white hair and a light complexion, and a respectful before J. F. Millet's "Angels" and some of his other paintings, came upon Frank Millet's group of portraits in Gallery D.

"Millet," said she to her companion, "Why, I didn't know Millet was a portrait painter. This time the artist fled for good, and yet with a deep lying hope that the exhibition would still prove his high educational value. But these are only the lighter incidents of a very large attendance at a serious and instructive as well as diverting exhibition. A dozen variety of the place of the Millet incident, visitors to the show have the enviable opportunity to see the bold stroke of Sargent, where, in the por-

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## A Sale of Framed Pictures.

The collection embraces Etchings, Engravings, French Pastels, Water Colors and Carbons of various sizes from 14x20 inches to 30x40 inches. The subjects are such as are found in homes where refinement and the appreciation of true art influence the selection of everything in it. Framed in Gold, Ebony, Ash, Dutch Oak.

Value \$9.00 to \$12.50. Special at \$5.50

## An Important Sale Beginning on Monday.

## High-Grade Waists for Women

At Extremely Reduced Prices.

Exquisite imported models, designed by the foremost Parisian masters, as well as clever copies of their creations, of Louisiane Silk, Chiffon, Mousseline, Crepe-de-Chine, Broadcloth and Velvet, elaborately trimmed. They have been divided into three classes, as follows:

Formerly \$19.75 to \$22.50. Special at \$15.50  
Formerly \$22.50 to \$28.50. Special at \$18.00  
Formerly \$27.50 to \$38.50. Special at \$25.00

## An Important Sale Beginning on Monday.

## High Grade Shoes for Women

At Greatly Reduced Prices.

Women's Shoes of Patent Kid, Patent Colt or Vici Kid, welt stitched, extension or turn-sewed soles, military, Cuban or Louis XV. heels, lace or button models, in a variety of excellent lasts.

Formerly \$4.00 and \$5.00. Special at \$2.85  
Women's Shoes of Vici Kid, Patent Colt or Velour Calf, welt stitched soles, lace, button or blucher models in a number of excellent lasts. Formerly \$3.00. Special at \$1.95

Coats of black Zibeline, plain Cloth, or black Kersey with cape over shoulder, strap seams, velvet collar, trimmed with braid. Value \$25.00. Special at \$18.50

Three Quarter Coats of black Cheviot, or Kersey with cape and flat collar of velvet, trimmed with fancy braid, white silk lining. Special at \$18.50

Coats of black Cheviot, 42 inches long, with cape, black or white lining. Special at \$22.50

## Scarfs of Sable Fox with brushes.

Value \$12.75. Special at \$9.75

Muffs of Sable Fox, flat model. Value \$14.50. Special at \$10.50

Scarfs of Alaska Sable, four-in-hand model. Value \$11.00. Special at \$8.50

Muffs of Alaska Sable, flat model. Value \$15.00. Special at \$11.50

Stoles of Abyssinian Monkey. Value \$14.50. Special at \$10.50

Muffs to match. Value \$14.50. Special at \$10.50

## MARKED BAGGAGE ON PIER

To Prove That He Was a Sleuth—Then He Was Arrested.

A young man acted so queerly on the American Line pier about noon yesterday that the pier superintendent asked him his business.

"I'm a detective sir," said the man, "and I will prove it to you."

He then pulled several crayons from his pockets and began to make crosses on the baggage piled on the pier. The superintendent telephoned to Police Headquarters and Detectives Moody and Leeson arrested the man at his headquarters.

Eisenman said that Rulysa was employed in an uptown hotel and that his actions were probably due to too much drink.

Rulysa had no weapons of any kind.

Want a Road Over Jamaica Bay.

An effort is being made by the residents of Rockaway to have a road built across Jamaica Bay from the western end of Rockaway to a place near Canarsie. The road would be about four miles and a half long. The residents say that the work would not cost very much, as the material used could be dredged from the bay, and that after the dredging was done the creeks and channels would be deep enough for navigation at all tides. The road would lessen the drive from Brooklyn to the beach from fifteen to twenty miles.

## Strongly recommended in cases of Rheumatism and Gout.

John Jameson

Irish Whiskey

Prescribed where no other stimulant would be tolerated.

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